

THE TORONTO STOCK EXCHANGE

9/10/69

FILING STATEMENT NO. 1715
FILED OCTOBER 9th, 1969.

GOLDRIM MINING COMPANY LIMITED

Incorporated under the laws of Ontario by letters patent dated November 15, 1943

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953 (Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

reference is made to filing statement no. 1669

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	(a) Change in officers and directors of the Company. See Item 3 hereof. (b) Proposed issue and allotment of 252,000 shares of the Company to The Goldfield Corporation ("Goldfield") and 168,000 shares of the Company to Chemalloy Minerals Limited ("Chemalloy") at 30¢ (Cdn.) per share, being an aggregate consideration of \$126,000 (Cdn.). See Item 20 hereof. (c) Proposed retirement of \$105,000 (Aus.) outstanding indebtedness owed by the Company to Goldfield and Chemalloy and re-assignment to the Company of the promissory note and mortgage which had secured the same. See Item 20 hereof.
2. Head office address and any other office address.	Head Office - 263 Clemow Avenue, Ottawa, Ontario Mailing Address - P. O. Box 4218, Postal Station "E", Ottawa, Ontario.
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	The new officers and directors of the Company are: <u>President and Director</u> - Herman Becker-Fluegel, The Goldfield Corporation, 720 Fifth Avenue, New York City, New York, Executive, former Vice-President of W. R. Grace; <u>Secretary</u> - Anthony J. Grey, 293 Hillcrest Avenue, Willowdale, Ontario, Solicitor; <u>Treasurer and Director</u> - George Warnock, 90 Woodland Road, Millington, New Jersey, Accountant; <u>Directors</u> - David T. Winchell, 19 Park Land Circle, Don Mills, Ontario, Mining Executive; A.C.A. Howe, 109 Balliol Street, Toronto, Ontario, Mining Engineer; John Sikura, R.R. #1, Gormley, Ontario, Officer of Chemalloy Minerals Limited; Dr. William Morgan, 263 Clemow Avenue, Ottawa, Ontario, Mining Engineer; J. Michael Wigley, 99 Seacove Road, North Port, New York, Executive; Former Officers and Directors who have been replaced are: Kevin J. Darkenwald, formerly Secretary-Treasurer and Director, and James M. Rae, formerly a Director.
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized - 5,000,000 shares with a par value of \$1.00 each Issued - 3,314,542 shares
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	See item 20 hereof.
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	There are no shares being issued under any outstanding or proposed underwriting or option agreement. However the Company proposes to issue 420,000 of its shares at a price of 30¢ per share payable in cash, being in the aggregate \$126,000 (Can.). Of these shares, 252,000 are proposed to be issued to Goldfield and 168,000 to Chemalloy.
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	The 420,000 shares referred to in Item 6 hereof are proposed to be issued to Goldfield, 720 Fifth Avenue, New York, New York, and Chemalloy, 7 King Street East, Toronto, Ontario, in the amounts referred to in Item 6. In connection with the proposed retirement of indebtedness referred to in Item 1(c) and 20, Goldfield and Chemalloy propose to reassign to the Company the promissory note and mortgage which had secured said indebtedness.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	N/A

9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	<p>Exploration programs referred to in filing statement No. 1669, filed January 21, 1969, will be continued in the next twelve months. The programs will include geological mapping, trenching and surface sampling of a portion of the properties in Western Australia and Northern Australia (the "Australian Properties") described in Item 1(d) of the above mentioned filing statement and diamond drilling on all the Australian Properties. The cost of such exploration, estimated at approximately \$80,000, will be assumed by Goldfield and Chemalloy pursuant to the Joint Venture Agreement (see Items 19 and 20 hereof) whereby Goldfield and Chemalloy are committed to spend a minimum of \$285,000 on the Australian Properties. Of the said \$285,000, approximately \$75,000 has been spent to date.</p>
10. Brief statement of company's chief development work during past year.	<p>The Company's chief development work in the past year has been to continue exploration on the Australian Properties, to the extent of the Company's interest therein. Approximately \$75,000 has been expended on the Australian Properties pursuant to the Joint Venture Agreement, on diamond drilling and percussion drilling.</p>
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	N/A
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	N/A
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	N/A
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	N/A
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<p>1. W. D. Latimer, 199 Bay Street, Toronto, Ontario. 811,810 shares.</p>
	<p>2. Stocken & Concanon, Dashwood House, 69 Old Road Street, London E.C. 2, England. 271,550 shares.</p>
	<p>3. Medwin & Lowy, 4 Copthall Court, London E.C. 2, England. 213,030 shares.</p>
	<p>4. Gairdner & Company Limited, P. O. Box 53, Toronto-Dominion Centre, Toronto 111, Ontario. 103,825 shares.</p>
	<p>5. L. G. Beaubien & J. L. Levesque Inc., 360 Quest Rue St.Jaquest, Montreal, Quebec. 92,500 shares.</p>
	<p>The Company is unaware of the beneficial ownership of the shares listed above.</p>

SCHEDULE "A"

1. Agreement among J. A. Johnston & Sons Pty. Limited, Avela Pty. Limited, the Company, Goldrim Mining (Australia) Pty. Limited ("Goldrim Australia") and The British Metal Corporation (W.A.) Pty. Limited dated April 29, 1969 under which Goldrim Australia purchased the Australian Properties and which contains warranties to title given by the Vendor which survive the closing of the transaction of purchase and sale of the Australian Properties.

2. The joint venture agreement ("Joint Venture Agreement") dated September 3, 1968 between the Company and Tantalum Mining Corporation of Canada Limited ("Tantalum") providing among other things for.

(a) the setting up of a joint venture between the Company and Tantalum for the exploration and development of the Australian Properties, in which Tantalum acquired a 60% interest,

(b) the commitment of Tantalum to expend such funds as are needed for the exploration and development of the Australian Properties up to \$285,000,

(c) the commitment of Tantalum and the Company to provide any additional funds needed in the proportion of 60 to 40 respectively,

(d) the right of Tantalum to acquire an additional 10% interest in the Australian Properties if the Company fails to provide its share of the funds required.

3. Assignment dated as of January 1, 1969 by Tantalum to Goldfield and Chemalloy in the proportion of 60 to 40 respectively of all interest in and obligations arising out of the Joint Venture Agreement.

4. Mortgage granted by Goldrim Australia to the Company on the Australian Properties securing the repayment of \$105,000 (Aus.) referred to in Item 20 with the demand promissory note referred to in Item 20.

SCHEDULE "B"

For tax reasons, the Australian Properties, described in Item 1(d) of filing statement No. 1669, filed January 21, 1969, as being acquired by the Company, were in fact acquired by Goldrim Australia, a company incorporated for that purpose. The shares of Goldrim Australia are held as to 30% by the Company and as to 70% by Goldfield and Chemalloy (in the proportion of 60 to 40 respectively) representing the respective interests of the Company and Goldfield and Chemalloy in the Australian Properties.

Tantalum assigned all its interests in and to and all its obligations arising under the Joint Venture Agreement to Goldfield and Chemalloy in the proportion of 60 to 40 respectively. See Item 19(3).

In order to complete the purchase by Goldrim Australia of the Australian Properties, Goldfield and Chemalloy advanced the sum of \$105,000 (Aus.) to the Company and the Company in turn advanced the same amount to Goldrim Australia. Goldrim Australia then used the \$105,000 (Aus.) to satisfy its cash portion of the purchase price for the acquisition of the Australian Properties. The remaining cash portion was paid by Goldfield and Chemalloy (as assignees of Tantalum) pursuant to their interest in the Australian Properties described in filing statement No. 1669, Item 1(d).

As security for the advance of the said \$105,000 (Aus.) Goldrim Australia granted to the Company a first mortgage on the Australian Properties and issued to the Company its promissory note payable on demand in the said amount. The Company then assigned the mortgage and the note, remaining liable thereon, to Goldfield and Chemalloy as security for the advance to the Company by Chemalloy and Goldfield of the said \$105,000 (Aus.).

It is proposed that the Company repay to Goldfield and Chemalloy the said \$105,000 (Aus.) or its Canadian equivalent (approximately \$126,000) out of the proceeds of the issue of the aforesaid 420,000 treasury shares. Goldfield and Chemalloy will then reassign to the Company the aforesaid mortgage and promissory note whereupon the Company will have a first mortgage on the Australian Properties.

ADDENDUM

The shares of the Company are not in the course of primary distribution to the public.

FINANCIAL STATEMENTS

GOLDRIM MINING COMPANY LIMITED
(Incorporated under the laws of Ontario)

BALANCE SHEET

July 31, 1969

- ASSETS -

Current			
Cash	\$ 833.58	\$	
Advances and deposits on contracts	<u>2,968.50</u>		3,802.08
Investment in Kimberlite Mining Corporation Limited			4,250.00
Fixed - at cost			
Buildings, plant and equipment	176,584.26		
Accumulated depreciation	<u>17,022.74</u>		
	159,561.52		
Mining claims held under development	<u>637,553.42</u>		797,114.94
Deferred Expenditures			
Exploration, mine development, maintenance and administrative expenses - at cost			
less amounts written off	1,477,160.54		
Incorporation and organization	<u>5,752.04</u>		<u>1,486,912.58</u>
			\$2,292,079.60

- LIABILITIES -

Current			
Accounts payable			13,272.17
<u>SHAREHOLDERS' EQUITY</u>			
Capital Stock			
Authorized - 5,000,000 shares with a par value of \$1 each			
Issued and outstanding - 3,214,542 shares	3,214,542.00		
Discount thereon	<u>1,221,200.00</u>		1,993,342.00
Surplus Arising on Capital re-organization	617,652.20		
Deficit	<u>332,186.77</u>		<u>285,465.43</u>
			\$2,292,079.60

STATEMENT OF EXPLORATION, MINE DEVELOPMENT,
MAINTENANCE AND ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED JULY 31, 1969

Balance, opening \$ 1,418,491.07

Exploration

Consultants' fees and surveying	\$ 9,230.69
Drilling	<u>6,627.20</u>
	15,857.89

Mine Development and Maintenance

Insurance	28.00
Licences and fees	<u>(140.50)</u>
	(112.50)

Administrative

Accounting and auditing	4,135.00
Legal	5,387.87
Secretarial and head office	10,606.90
Shareholders' expense	5,715.56
Stock exchange fees	100.00
Travel	<u>16,978.75</u>
	42,924.08

Balance, closing \$ 1,477,160.54

W. J. Keevee
Director

J. L. Davies
Director

16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	To the knowledge of the directors there is no person or group which beneficially owns more than 20% of the outstanding shares of the Company. However, upon the proposed issue of the 420,000 shares referred to in Item 6, it could be said that Goldfield and Chemalloy, if they act in concert, could materially affect control by virtue of their combined holdings.
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	425,000 escrowed shares of Kimberlite Mining Corporation Limited at a cost of \$4,250 - no market. 300 shares of Goldrim Mining (Australia) Pty. Limited at a cost of \$300 (Aus.) - no market.
18. Brief statement of any lawsuits pending or in process against company or its properties.	An action was commenced by Albert Hopkins, 148 Soudan Avenue, Toronto, Ontario, in connection with alleged fees and expenses relating to geological work amounting to approximately \$4,250.00. The Company is defending the action.
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	See Schedule "A" on page 3
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	See Schedule "B" on page 4

CERTIFICATE OF THE COMPANY

DATED October 16th, 1969

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"A.C.A. Howe"

CORPORATE
SEAL

"J. Sikura"

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

THE TORONTO STOCK EXCHANGE

9/1/69
20/1/69

FILING STATEMENT NO. 1669.
FILED, JANUARY 21st, 1969.

Hill

GOLDRIM MINING COMPANY LIMITED

Full corporate name of Company
Incorporated under the laws of Ontario by
Letters Patent dated November 15, 1943

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).

Reference is made to previous
Filing Statement No. 1597.

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material
change in the affairs of the company
in respect of which this statement is
filed.

(a) Election by Tantalum Mining Corporation of Canada Limited, under a joint venture agreement between Tantalum and the Company, to proceed further with exploration and/or development work on the Western Australian properties of the Company, commonly known as the Wodgina, Strelly and the Tabba Tabba properties, with the aim, among other things, of placing the Wodgina property in production. Such election involves the firm commitment of Tantalum to spend a minimum of \$225,000 in addition to the \$60,000 expenditure undertaken by Tantalum under the original agreement dated August 7, 1968. The said agreement was based upon the then outstanding option held by Goldrim to acquire a 90 per cent interest in the Western Australian properties, and provided that after expenditures of \$285,000 by Tantalum, Tantalum would have earned a 60 per cent interest in the properties and Goldrim would hold the remaining 30 per cent. The Company's interest was stated to be subject to dilution thereafter if the Company did not provide a proportionate share of additional capital. Subsequent to that time arrangements have been made whereby Tantalum will acquire the 10 per cent interest in the properties originally reserved by the Australian holder of the properties. See Item (d) hereof. As a result of such arrangements Tantalum will, upon the completion of the joint venture agreement, hold a 70 per cent interest in the properties and Goldrim will hold a 30 per cent interest.

(b) Proposed change in officers and directors. See Item 3 hereof.

(c) Proposed sale from Hartek Investments Limited to Tantalum Mining Corporation of Canada Limited of 300,000 shares in the capital stock of the Company, by way of a private placement, at the price of 65 cents per share, for a total of \$195,000.00. Tantalum Mining Corporation of Canada Limited is owned 60% by Northern Goldfield Investments Limited, a wholly owned subsidiary of Goldfield Corp., whose head office is in New York, and 40 per cent by Chemalloy Minerals Limited, a public Canadian mining company whose shares are listed on The Toronto Stock Exchange and the Canadian Stock Exchange.

(d) Proposed agreement between the Company and J. A. Johnston and Sons Pty. Limited of Perth, Australia, Avela Pty. Limited of Sydney, Australia, and The British Metal Corporation (W.A.) Pty. Ltd., of Perth, Australia, providing for the firm purchase by the Company of the Western Australian properties known as Wodgina, Strelly, and Tabba Tabba and the remaining Northern Australian property desired to be retained, known as the Mount Finnis property, previously held under option by the Company (see previous Filing Statements Nos. 1570 and 1597). The Company is acting on its own behalf as to a 90 per cent interest in the properties, and on behalf of Tantalum Mining Corporation of Canada Limited as to the remaining 10 per cent interest. The purchase price payable will consist of \$135,000 Australian funds to be paid by Tantalum and Goldrim to Johnston, 100,000 fully paid treasury shares of Goldrim to be issued to Avela, and an undertaking to be given by Goldrim to Avela providing for the future issuance to Avela of 200,000 additional treasury shares of Goldrim free of escrow if and when any of the properties purchased under the said agreement shall be placed in commercial production. As a result of entering into the aforesaid firm commitment at the present time, Goldrim and Tantalum acting together will acquire the entire one hundred

Item 1

per cent interest in the Western Australian properties, although the terms of the original option agreement on the Western Australian properties provided for a reservation of a ten per cent interest to Johnston. The purchase price to Goldrim for the 90 per cent interest is \$105,000, equivalent to the purchase price under the original option agreement, and the purchase price to Tantalum for the 10 per cent interest is \$30,000. It is proposed that \$105,000 required by Goldrim will be advanced to Goldrim either by Tantalum Mining Corporation of Canada Limited, or by Chemalloy Minerals Limited and Northern Goldfield Investments Limited, its shareholders, and the said advance will be secured by a charge upon the Company's interest in the Western Australian properties.

2. Head office address and any other office address.	Head Office -- 263 Clemow Avenue, Ottawa, Ontario Mailing address -- P.O. Box 4218, Postal Station "E", Ottawa, Ontario. It is proposed that an executive office will be opened at 7 King Street East, Toronto, Ontario, and that the necessary steps will be taken to change the head office location from Ottawa to Metropolitan Toronto.
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	The present officers and directors of the Company are: President & Director -- Dr. W. A. Morgan, 263 Clemow Avenue, Ottawa, Ontario, President of Geo Met Limited. Secretary-Treasurer & Director -- James E. Hayes, R.R. No. 3, Manotick, Ontario, self-employed executive. Directors -- R. E. Reynolds, 1269 Anoka Street, Ottawa, Ontario, retired executive; W. E. Upper, R.R. No. 1, Sunderland, Ontario, retired manufacturer; F. G. Elliot, Apt. 1025, 400 Walmer Road, Toronto, Ontario, Insurance Executive; Irvine W. Hughes, 711 Pitt Street, Cornwall, Ontario, executive; Royden W. Lord, Llangeinor, Near Bridgend, U.K., self-employed design consultant. The proposed new officers and directors will be: President & Director -- Richard Pistell, P.O. Box 358, Southport, Connecticut; Secretary-Treasurer & Director -- A.C.A. Howe, 109 Balliol Street, Toronto 7, Ontario; Directors -- Kevin J. Darkenwald, Garthwood Apts., Scarsdale, New York; Percy J. Cutting, 37 Hinckley Walk, San Francisco, California; David T. Winchell, 19 Parklane Circle, Don Mills, Ontario; John Sikura, R. R. No. 1, Gormley, Ontario; Dr. Wm. A. Morgan, 263 Clemow Avenue, Ottawa, Ontario.
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized: 5,000,000 shares of \$1.00 par value Issued: 3,214,542 shares
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	At the present time there are no such charges outstanding. Following the completion of the proposed material changes referred to in Item 1, however, the Company will charge its interest in its Western Australian properties with repayment of the sum of \$105,000 Australian as described in Item 1(d) hereof.
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	There are no shares being issued under any outstanding or proposed underwriting or option agreement. However, 100,000 treasury shares are proposed to be issued for property as described in Item 1(d) hereof.
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	The 100,000 shares referred to in Item 6 hereof are proposed to be issued to Avela Pty. Limited, 261 George Street, Sydney, Australia, a private Company of which the only beneficial shareholders are Alan Mills Abernethy and Madeliene Abernethy, 1 Clifford Street, Apartment 34, Mosman, New South Wales, Australia.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	none

FINANCIAL STATEMENTS

GOLDRIM MINING COMPANY LIMITED

(Incorporated under the laws of Ontario)

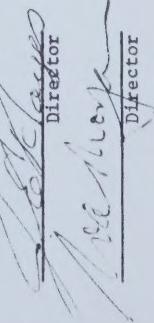
BALANCE SHEET AS AT SEPTEMBER 30, 1968

(prepared without audit)

ASSETS

CURRENT	SHAREHOLDERS' EQUITY
Cash	\$ 5,543
Advance on contract	9,850
Prepaid expense	500
	<u>\$ 15,893</u>
INVESTMENT IN KIMBERLITE MINING CORPORATION - at cost	4,250
FIXED - at cost (notes 1 and 2)	
Buildings, plant and equipment	176,584
Accumulated depreciation	17,023
	<u>159,561</u>
Mining claims held under development, licences and interest in mining claims	667,553
DEFERRED EXPENDITURES (note 2)	
Exploration, mine development, maintenance and administrative expenses - at cost	1,422,398
Less amounts written off	9,752
Incorporation and organization	<u>1,432,150</u>
	<u>\$2,279,407</u>
	<u><u>\$2,279,407</u></u>

ON BEHALF OF THE BOARD



Director

(see accompanying notes to financial statements)

GOLDRIM MINING COMPANY LIMITED
STATEMENT OF EXPLORATION, MINE DEVELOPMENT
MAINTENANCE AND ADMINISTRATIVE EXPENSES

	Two months ended September 30 1968 (unaudited)	Year ended July 31 1968	Year ended July 31 1967	Year ended July 31 1966
BALANCE, opening	<u>\$1,418,491</u>	<u>\$1,207,057</u>	<u>\$1,052,162</u>	<u>\$ 922,895</u>
EXPLORATION				
Assaying	-	9,619	10,254	767
Consultants' fees and surveying	1,443	22,675*	41,481	36,874
Drilling	-	142,410	56,087	53,841
Staking	-	5,755	-	1,800
	<u>1,443</u>	<u>180,459</u>	<u>107,822</u>	<u>93,282</u>
MINE DEVELOPMENT AND MAINTENANCE				
Insurance	-	944	1,339	784
Licences and fees	-	431	325	2,313
	<u>-</u>	<u>1,375</u>	<u>1,664</u>	<u>3,097</u>
ADMINISTRATIVE				
Accounting and auditing	200	5,000	860	2,910
Legal	-	4,789	6,959	8,911
Secretarial and head-office	1,695	19,211	18,679	9,619
Shareholders' expense	381	7,451	10,433	2,263
Stock exchange fees	-	447	2,814	4,263
Travel	188	4,672	9,981	5,466
	<u>2,464</u>	<u>41,570</u>	<u>49,726</u>	<u>33,432</u>
Less sundry revenue	-	11,970*	4,317	544
	<u>-</u>	<u>29,600</u>	<u>45,409</u>	<u>32,888</u>
BALANCE, closing	<u>\$1,422,398</u>	<u>\$1,418,491</u>	<u>\$1,207,057</u>	<u>\$1,052,162</u>

* Includes \$6,750 gain on the sale of Kimberlite Mining Corporation Limited shares.

** Includes \$3,362 paid to W.A. Morgan, B.Sc., PhD., P. Eng., the company's President for professional services rendered to the company.

GOLDRIM MINING COMPANY LIMITED
STATEMENT OF SOURCE AND APPLICATION OF FUNDS

	Two months ended September 30 1968 (unaudited)	Year ended July 31 1968	Year ended July 31 1967	Year ended July 31 1966
SOURCE OF FUNDS				
Sale of capital stock	\$ -	\$200,000	\$315,000	\$395,800
Sale of Kimberlite Mining Corporation Limited shares	- -	750 200,750	- 315,000	- 395,800
APPLICATION OF FUNDS				
Exploration, mine development, maintenance and administrative expenses	3,907	211,434	154,895	129,267
Mining claims held under development, licences, and interest in mining claims	3,000	103,700	103,150	220,200
Additions to fixed assets	-	-	-	237
Purchase of shares in Kimberlite Mining Corporation Limited	-	-	5,000	-
	<u>6,907</u>	<u>315,134</u>	<u>263,045</u>	<u>349,704</u>
INCREASE (DECREASE) IN WORKING CAPITAL	<u>(6,907)</u>	<u>(114,384)</u>	<u>51,955</u>	<u>46,096</u>

WORKING CAPITAL

At beginning of year	22,200	136,584	84,629	38,533
Increase (decrease)	(6,907)	(114,384)	51,955	46,096
At end of year, or period	<u>\$ 15,293</u>	<u>\$ 22,200</u>	<u>\$136,584</u>	<u>\$ 84,629</u>

GOLDRIM MINING COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE TWO MONTHS ENDED SEPTEMBER 30, 1968

1. DEPRECIATION POLICY

Mining operations were suspended January, 1949. Since that date no provision has been made for depreciation of buildings, plant and equipment.

2. VALUATION OF FIXED ASSETS AND DEFERRED EXPENDITURES

The amounts shown for fixed assets and deferred expenditures represent costs to date (less accumulated depreciation and amounts written off) and are not intended to reflect present or future values.

3. SECRETARIAL - HEAD OFFICE EXPENSE

Includes management fees of \$1,000.

4. DEFICIT

There were no changes in the Deficit account during the period under review.

5. CAPITAL RE-ORGANIZATION

By Supplementary Letters Patent, dated June 8, 1965, the authorized capital of the company was decreased from \$6,000,000 to \$1,949,832 by cancelling pro rata 4,050,168 issued shares with a par value of \$1 each and increased from \$1,949,832 to \$5,000,000 by creating an additional 3,050,168 shares with a par value of \$1 each, ranking on a parity with the existing shares of the company. The cancellation of issued shares gave rise to a surplus of \$617,652.

MOORE, MILLER & COMPANY
CHARTERED ACCOUNTANTS

C.H. MOORE, C.A.
W.G. MILLER, C.A.

389 RIDEAU STREET
OTTAWA 2, CANADA

AUDITORS' REPORT

To the Directors
Goldrim Mining Company Limited

We have examined the statements of exploration, mine development, maintenance and administrative expenses, and source and application of funds for each of the three years ended July 31, 1968. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the results of the operations of the company and the source and application of its funds for each of the three years ended July 31, 1968, in accordance with generally accepted accounting principles applied on a consistent basis throughout the period.

November 18, 1968

Moore Miller & Company

GEOLOGIST'S REPORT

NOTE-The following are excerpts from a report by Mr. Timothy J. Beesley, M.S., P.Eng., dated December 10th, 1968, on the second drilling programme at Wodgina, Australia. A copy of this report is on file with the Toronto Stock Exchange.

SUMMARY

Percussion drilling vacuum sampling and diamond drilling on the Wodgina tantalum-bearing dyke have outlined a zone of tantalite mineralization from 1100 North to 2100 North with possible extensions to the north and down-dip. The tantalite mineralization occurs within albite pegmatite or with a mica-ceous greisen in albite feldspar, generally in the footwall half of the dyke. The quartz-albite-muscovite pegmatite, which is the dominant dyke rock type south of 1100 North, is not a host for tantalite mineralization and there is little likelihood of establishing significant tonnages and grades of Ta_2O_5 in this zone.

Two separate drill indicated tonnage and grade calculations were made because of a significant difference in assay results from two independent analysts. Based on X-Ray Assay Laboratories' (Toronto) results, a tonnage of 105,000 short tons with an average grade of 2.81 pounds Ta_2O_5 per ton is indicated. Calculations based on AMDEL (Adelaide) results indicate a tonnage of 72,000 short tons with an average grade of 1.92 pounds Ta_2O_5 per ton.

CONCLUSIONS

1. Possible extensions to the zone of tantalite mineralization exist north of 2100 North and down-dip from the 1100 North to 1600 North block. Further drilling on a grid pattern could double the indicated reserves.
2. Considering the recent fluctuations and downward trend on the tantalum open market, it would be advisable for the Goldrim Mining Company to carefully assess markets before proceeding with further drilling and development work on the Wodgina project.
3. Recovery tests should be carried out on reserve samples and core rejects to indicate tantalite recovery and determine the tantalite content of the pegmatite in light of conflicting results from the laboratories.
4. At the present market prices, a minimum recoverable grade for the tonnage presently indicated would be 4 pounds Ta_2O_5 per ton.

RECOMMENDATIONS

1. Markets for tantalite should be carefully assessed to determine whether an orderly marketing of tantalite could be negotiated at a price to assure profitable operation at Wodgina on a scale of treating approximately 30,000 tons of ore a year.
2. Recovery tests should be carried out to determine grade and recovery of tantalite. This testing would also determine the reliability of present analyses.
3. If the investigations recommended above are favourable, then an extension of the drilling programme could be considered.

INTRODUCTION

The second drilling programme at Wodgina commenced in the field on July 22nd and was completed on September 13th, 1968. Field supervision was carried out by Geologist T. Beesley.

From August 1st to 10th, 2230 feet of percussion drilling was completed. Of this total, 1263 feet was drilled in 17 percussion vacuum sampling holes and 967 feet in precollaring diamond drill holes. From August 17th to September 11th, 25 diamond drill holes were completed for a total footage of 2581 feet. Of this total, 1578 feet was diamond drilling, the remainder percussion drilling precollaring, as reported above. The second drilling programme tested the pegmatite dyke at shallow depth over a strike length of 2000 feet.

Eight surface samples were taken, seven of these up-dip from percussion and diamond drill holes between 1200 North and 1600 North and one from freshly blasted pegmatite in a sub-parallel trending dyke on the eastern side of the mine hill.

Three hundred percussion vacuum, diamond drill core, and rock samples were submitted for analysis for Ta_2O_5 , Nb_2O_5 and SnO_2 content.

TANTALITE MINERALIZATION

Results from the percussion and diamond drilling programmes indicate a continuous zone of tantalite mineralization 1000 feet in length from 1100 North to 2100 North, with the exception of a barren zone between 1250 North and 1350 North. This zone is considered open to the north and there is a good likelihood that further tantalite mineralization may be encountered here.

Visible tantalite larger than one millimeter in size was observed in 50 percent of the diamond drilling intersections containing greater than 1.0 lb. Ta_2O_5 per ton. The fact that the highest visual estimates of tantalite content did not correspond with the highest grade assay results would suggest, however, that a large proportion of the Ta_2O_5 values are carried in tantalite of small grain size.

The majority of the greater than 1.0 lb. Ta_2O_5 per ton intersections occurred in (a) monomineralic coarse-grained albite pegmatite, and (b), muscovite greisen within albite, generally in the footwall horizon of the dyke.

Highest tantalite concentrations occur in DDH's 28, 30, 31 and 32 and in percussion hole P14, between 1800 North and 2100 North. The highest grade intersection, 12.2 lbs. Ta_2O_5 per ton over 5.0 feet, was encountered in muscovite-lepidolite greisen associated with albite in DDH30.

No significant results were achieved from the surface sampling programme. The highest result, 0.6 lbs. Ta_2O_5 per ton, was obtained from a freshly blasted sample of the sub-parallel trending pegmatite dyke on the east side of the mine hill (Table III).

GRADE AND TONNAGE CALCULATIONS

Two grade and tonnage calculations have been made, one based on X-Ray Laboratories' results, the other on AMDEL results. Calculations were based on a cut-off grade of 1.0 lb. Ta_2O_5 per ton in drilling intersections in the 1100 North to 2100 North block (see accompanying surface plan and section).

Based on the X-Ray results, this block contains 105,000 short tons with an average grade of 2.81 lbs. contained Ta_2O_5 per ton, and, on the AMDEL results, 72,000 short tons with an average grade of 1.92 lbs. contained Ta_2O_5 per ton (Tables I and II).

The difference in the results from the two analysts is difficult to comprehend. Both laboratories carry out work of the highest standard. For the greater than 1.0 lb. Ta_2O_5 per ton diamond drilling sample material, the X-Ray results are roughly twice as high as the AMDEL results. The ratio between the two sets of results is consistent. A range of analytical check samples based on a standard of pure Wodgina tantalite with a chemically pure gangue is presently being prepared and should help clarify the situation.

ECONOMIC CONSIDERATIONS

Tantalum concentrate is presently selling for approximately \$US 8.00 per pound of contained Ta₂O₅ and there is no indication that the price will rise above this figure in the foreseeable future. Working on a break-even costs repayment figure of \$21.50 Cdn. (Wodgina Report, February 1968) for an operation of this tonnage and expecting a profit of approximately \$10.00 per ton, the minimum recoverable grade must be 4 pounds per ton.

Considering the recent price fluctuations and the generally unstable nature of the tantalum market, it would be advisable for the Goldrim Mining Company to carefully assess markets before proceeding with further development on the Wodgina project.

Based on discussions with others, it may be possible to negotiate a term contract for tantalite concentrate at prices substantially above the present open market prices.

CERTIFICATE

I, Timothy John Beesley, hereby certify:

1. That I am a geologist and reside at 17 Kingsgarden Road, Toronto 18, Ontario
2. That I am a registered Professional Engineer in the Province of Ontario
3. That I graduated from the University of Toronto in 1965 with the degree of Bachelor of Applied Science and from the University of Colorado in 1967 with the degree of Master of Science.
4. That I have been continuously engaged in geological work for 16 months and previous to that seasonally for 5 years.
5. That the foregoing report is based on field work supervised by myself and reports of Watts, Griffis and McOuat Limited.
6. That I, nor any principal of Watts, Griffis and McOuat Limited, do not have, nor expect to receive any interest, either directly or indirectly, in the property described or in the securities of Goldrim Mining Company Limited.

Perth, Australia
December 10, 1968

Timothy J. Beesley, M.S., P. Eng.

9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	<p>The Company intends to use available funds to continue its exploration programmes on its Australian properties referred to in Filing Statement No. 1597, filed February 28, 1968, which programmes are still under way. Under a joint venture exploration agreement dated August 7, 1968 Tantalum Mining Corporation of Canada Limited has assumed the costs of \$60,000 of recent exploration expenditures on the Company's Western Australian properties, and has elected to continue further with exploration work, which election involves the firm commitment of Tantalum to spend an additional minimum of \$225,000 on the properties. Refer to Item 1(a) hereof. The Northern Australian properties optioned by the Company from Avela Pty. Limited have been dropped during the course of exploration work from time to time with the exception of one property known as the Mount Finnis property, on which the Company intends to carry out further exploration work.</p>												
10. Brief statement of company's chief development work during past year.	<p>The Company's chief development work during the past year has been exploration of its Northern and Western Australian properties, particularly the Western Australian property known as Wodgina. As of the date of this Filing Statement a total of approximately \$225,000 has been expended, of which \$30,000 has been provided by Tantalum Mining Corporation of Canada Limited under the agreement of August 7, 1968 referred to in Item 1(a) hereof.</p>												
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	n/a												
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	n/a												
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	none												
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	none												
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<table> <tbody> <tr> <td>W. D. Latimer 199 Bay Street Toronto, Ontario</td> <td>895,613</td> </tr> <tr> <td>Stocken & Concanon Dashwood House 69 Old Road Street London, EC 2, England</td> <td>280,750</td> </tr> <tr> <td>Medwin & Lowy 4 Copthall Court London EC 2, England</td> <td>241,700</td> </tr> <tr> <td>Andras Hatch & Heatherington Ltd. 4 King Street West Toronto, Ontario</td> <td>76,100</td> </tr> <tr> <td>L.G. Beaubien & J.L. Levesque Inc. 360 Ouest Rue St. Jaques Montreal, Quebec</td> <td>71,500</td> </tr> <tr> <td>Gore Co. c/o Canadian Imperial Bank of Commerce Box 6003 Montreal, Quebec</td> <td>71,500</td> </tr> </tbody> </table>	W. D. Latimer 199 Bay Street Toronto, Ontario	895,613	Stocken & Concanon Dashwood House 69 Old Road Street London, EC 2, England	280,750	Medwin & Lowy 4 Copthall Court London EC 2, England	241,700	Andras Hatch & Heatherington Ltd. 4 King Street West Toronto, Ontario	76,100	L.G. Beaubien & J.L. Levesque Inc. 360 Ouest Rue St. Jaques Montreal, Quebec	71,500	Gore Co. c/o Canadian Imperial Bank of Commerce Box 6003 Montreal, Quebec	71,500
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	<p>The Company has no knowledge as to the beneficial owners of the above shares, except that 300,000 of the shares registered in the name W. D. Latimer are beneficially owned by Hartek Investments Limited. Following the proposed sale described in Item 1(c) hereof, the said 300,000 shares will be beneficially owned by Tantalum Mining Corporation of Canada Limited</p>												

16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	There is no person, group or Company which beneficially owns sufficient shares to materially affect control of the Company. However, the proposed new management of the Company may be in a position to affect control of the Company by proxy solicitation.
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	425,000 escrowed shares of Kimberlite Mining Corporation Limited cost \$4,250. Market -- none
18. Brief statement of any lawsuits pending or in process against company or its properties.	An action was commenced by Albert Hopkins, 148 Soudan Avenue, Toronto, Ontario, in connection with alleged fees and expenses relating to geological work amounting to approximately \$4,250.00. The Company is defending the action.
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	As of the date hereof the Company is party to an agreement with Avela Pty. Limited, under which the Company has optioned certain mining properties in Western Australia and Northern Australia. Item 1(d) hereof discloses a proposed agreement by which the Company will firmly purchase the properties. Assuming the due completion of the joint venture agreement between Tantalum Mining and the Company referred to in Item 1(a) hereof, the Company's interest in the properties will be a 30 per cent interest and the interest of Tantalum Mining will be a 70 per cent interest. The decision to firmly purchase the Australian properties was made by Tantalum Mining and the Company together, and was based upon the following factors: (a) the Company's option was due to be exercised by April 30, 1969 at any rate, and covered only a 90 per cent interest in the properties; the proposed agreement covers a 100 per cent interest in the properties; (b) exploration work to date on the Wodgina property has not established the existence of an economic ore body but is sufficient to establish that the property is worthy of further exploration; (c) the purchase agreement covers two other properties, Strelly and Tabba Tabba, each of which warrant exploration work; (d) management is aware that competitors are known to be interested in the Wodgina property and willing to option and explore it if Goldrim were to drop its option; (e) the Company is bound under its August 7, 1968 joint venture agreement with Tantalum Mining to make the payment due on or before April 30, 1969 under the original option agreement, in order to keep the Company's title in good standing. In addition to the foregoing factors, the Company's partner under the joint venture, Tantalum Mining, is anxious to control the property, as there are few known properties on which tantalum occurs as the principal mineral. Future exploration plans have not yet been formulated in detail, but generally speaking, it is the intention to explore the Strelly and Tabba Tabba properties by surveys and mapping and to explore the north end of the Wodgina property in the same manner. Following that work diamond drilling will be done if warranted on the Strelly and Tabba Tabba properties, on the north end of the Wodgina property, and in any event, deep diamond drilling will be done on the south end of the Wodgina property.
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	There are no other material facts. Shares of the Company are not presently in the course of primary distribution to the public.'

CERTIFICATE OF THE COMPANY

DATED December 3, 1968

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

GOLDRIM MINING COMPANY LIMITED
CORPORATE
Per: *W.A. Morgan* *J.E. Hayes* *President* *Secretary-Treasurer* *SEAL*
"W.A. Morgan"
"J.E. Hayes" Per: *President* *Secretary-Treasurer*
CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

W. D. LATIMER CO. LIMITED

Per: _____